

GRANADA SANITARY DISTRICT

OF SAN MATEO COUNTY

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MINUTES

BOARD OF DIRECTORS REGULAR MEETING

FebruaryMarch 20, 2003

CALL MEETING TO ORDER: The Regular Meeting of the Board of Directors of the Granada Sanitary District was called to order at 7:4530 p.m.

ROLL CALL: Attending Directors were: President Bill Katke, Vice President Leonard Woren, Treasurer Laura Stein, Secretary Fran Pollard and Board Member Shawn McGraw.

Attending staff were: General Manager Chuck Duffy, District Administrator Gina Holmes, Assistant District Administrator Delia Comito, and Legal Counsel Jonathan Wittwer, and District Engineer Howard Hoffman.

PLEDGE OF ALLEGIANCE: Board President Bill Katke led all present in the Pledge of Allegiance, and then requested a moment of silence for peace in Iraq..

GENERAL PUBLIC PARTICIPATION: Mr. Tom Carey asked about the increase of the County collected yearly sewer assessment district charge. Mr. Carey also expressed concern regarding impending foreclosure action against APN 048-156-040, which is owned by William McDonaldhis Auntcousin. General Manager Chuck Duffy asked Mr. Carey to contact the district office the following day to obtain specific information regarding his question and concerns. None District Counsel Jonathan Wittwer offered to note that the foreclosure process is protracted and not imminent.

ACTION AGENDA

1. Consideration of leasing new District office space.:

The General Manager reviewed the three lease options outlined in his agenda memorandum and provided in the agenda packet, which included the floor plans for each option under consideration. Mr. Duffy reviewed the disadvantages of the current office space, primarily the non-compliance with the ADA. The Board held general discussion considering the office space needs of the District to the options presented. It was decided that a special board meeting would be scheduled in two weeks to provide board members with the opportunity to tour each building under consideration.

2. Consideration of District employees Holmes and Comito contract renewal:

District Counsel Jonathan Wittwer reported the terms discussed as part of the negotiated process and presented written contracts between the District and: (1) the District Administrator Gina Holmes; and (2) the Assistant District Administrator Delia Olivas-Comito. during the closed session special meeting item:

Public Employee Performance Evaluation Assistant District Administrator and Public Employee Evaluation: District Administrator (Govt. Code Sections 54957), and Conference with Labor Negotiator Chuck Duffy: Board of Directors, Unrepresented employees District Administrator G. Holmes and Assistant District Administrator D. Comito (Government Code Section 54957.6)

For the District Administrator, the terms of the contract were revised are as follows: Item 3. Compensation, Sec. B. Benefits, change to read, “service having commenced as of July 22, 1998” and “at the time of separation from the District, Compensation will be paid for sick leave time accrued up to a maximum of twenty days”; Attachment A, remove the #38 and make item part of #37, delete the #39 and change item to #38.

Director Stein moved to approve the District Administrator’s employment contract as revisedcorrected. (Stein/McGraw) Approved 5-0

For the Assistant District Administrator, the terms of the contract were revised are as follows: Item 3. Compensation, change to read, “at the rate of \$44, 290 per annum”; “Assistant” to be inserted before “District Administrator” throughout contract; Attachment A, remove the #38 and make item part of #37, delete the #39 and change item to #38.

Director Stein moved to approve the Assistant District Administrator’s employment contract as revisedcorrected. (Stein/Pollard) Approved 5-0

CONSENT AGENDA

Director Woren requested that Item #4 be held for discussion.

- 3. Approval of Special Meeting Minutes for February 20, 2003.**
- 5. Approval of March 2003 warrants totaling \$141,619.41.**
- 6. Approval of January 2003 Financial Statements.**

7. **Approval of Bond Administration Fund distribution #50 to GSD in the amount of \$
\$26,734.25. .**
8. **Approval of Independent Contractor Agreement for Wittwer & Parkins as Din, LLP as
District General Counsel.**

Director sStein moved to approve consent items 3, 5, 6, 7, and & 8.
(Stein/McGraw) Approved 5-0

4. **Approval of Regular Meeting Minutes for February 20, 2003.:**
Director Woren requested that the last sentence in the motion under item 2 state, *"Director Woren accepted the
the aamendment. "*

Director Pollard moved to approve consent item 4 as corrected.
(Pollard/Woren) Approved 5-0

9. **DIRECTORS' COMMENTS AND COMMITTEE REPORTS**

9. **Sewer Authority Mid-Coastside: Directors Woren and McGraw report on
meeting
held on February 24, 2003.:**

Director Woren reported on the progress of interviewing candidates for the SAM General Manager's position interviews, which included several promising candidateswhich should be concluded with the hiring of a new manager within a couple of weeks.

Director McGraw announced that a ceremony for the celebration of the completion of the SAM Wet Weather Flow Storage Facility would be held at 6:00 p.m. on 4/28/03 at Montara Sanitary District.

10. **Report on other seminars, conferences, or committee meetings.**
: None.

INFORMATION CALENDAR

11. General Manager's Report, CSD Update.:

Mr. Duffy reported on his second meeting with Martha Poyatos, Executive Officer of LAFCo. He would like to start the process of organizing volunteers to obtain signatures. A report will be provided at the next meeting.

12. Administrator's Reports, Administrative Activities February/March 2003.:

District Administrator Holmes reported on the Mutt Mitt dispensers and trash cans being placed at Surfer's Beach, although, the trash cans had been stolen and new ones would be installed, along with a sign.

13. Engineer's Report.:

Mr. Duffy reported on the District Engineer's progress in preparing a new C.I.P. report providing project alternatives and a cost/benefit analysis for each option. The report will be presented at a future meeting.

14. Attorney's Report.:
None.

FUTURE AGENDA ITEMS

ADJOURN

Board President Bill Katke adjourned the meeting at 8:59 p.m.

ACTION AGENDA

1. Consideration of possible changes to the Assessment District governing documents, and future Assessment District Bond refinancing

The General Manager introduced Bond Counsel Jerry Laster, who made a presentation to the Board regarding potential changes to the Assessment District governing documents. The Board held general discussion considering each of the proposed changes and their potential impact on the Assessment District. As a result of the discussion, several additional questions and issues were raised. The General Manager and Legal Counsel will research these items and report back to the Board at the next regular meeting.

2. Consideration of adding parks and recreation powers with possible reorganization into a Community Services District (CSD) with a proposed cost estimate for application to the Local Agency Formation Commission (LAFCo):

The General Manager briefly summarized his meeting with LAFCo's Executive Officer, Martha Poyatos, and presented an estimate of the costs involved in pursuing a reorganization application through LAFCo. Mr. Duffy also stated that he will provide a monthly status report and accounting of the application process should the Board vote to pursue a reorganization.

Director Stein moved to move forward with the LAFCo application process. Director Woren seconded. Director Stein then amended her motion for clarification, and moved to direct the General Manager to pursue reorganization into a community services district. Director Woren approved the motion as amended. (Stein/Woren) Approved 5-0

3. Presentation by District Engineer Howard Hoffman on the 5-Year Capital Improvement Plan

District Engineer Howard Hoffman presented a review of the current 5-year Capital Improvement Plan to answer questions from the Board regarding the cost, benefits to the district, and priority of these projects. The General Manager reported to the Board that he believes the plan should be completely reviewed and revised based upon a prioritization of the District's current issues and objectives, especially in light of recent work done by S.A.M. concerning wet weather overflows. The Board consensus was that after clearly identifying potential problem areas and issues, the District Engineer should develop reasonable options for each and should prepare a cost/benefit analysis for each option as directed by the General Manager. The District Engineer should also delineate which issues are the District's, and which should be presented to S.A.M. for action. After more general discussion, the Board directed the General Manager to have the District Engineer prepare a new C.I.P. report to the General Manager's satisfaction, based upon the discussion related above.

CONSENT AGENDA

Director Pollard requested that Item #5 be held for discussion. Director Woren requested that Item #7 be held for discussion.

- 4. Approval of special meeting minutes for January 16, 2003.**
- 6. Approval of February 2003 warrants totaling \$163,969.73.**
- 8. Approval of Bond Administration Fund distribution #49 to GSD in the amount of \$11,694.84.**
- 9. Acceptance of District Engineer's recommendation to approve work and Notice of Completion: Capital Improvement Project 2001/2002-2: Cleaning and TV Inspection of Sanitary Sewers.**

Director Stein moved to approve consent items 4, 6, 8, and 9. (Stein/Katke) Approved 5-0

5. Approval of meeting minutes for January 16, 2002

Director Pollard noted that the correction in item #13 of the December 19, 2002 minutes was not a spelling correction, but was a word replacement.

Director Pollard moved to approve consent item #5. (Pollard/Katke) Approved 5-0

7. Approval of December 2002 Financial Statements:

Director Woren requested that account code 5710 - *District Facilities* be removed from the report because it distorts the financial position of the district. The General Manager will research this line item with John Parsons, CPA.

President Katke moved to approve consent item #7. (Katke/Stein) Approved 4-1; Woren opposed

DIRECTORS' COMMENTS AND COMMITTEE REPORTS

10. Sewer Authority Mid-Coastside: Directors Woren and McGraw report on meeting held on January 27, 2003:

Director McGraw reported that the search for a new General Manager for S.A.M. is moving forward. Director Woren also reported that according to S.A.M. staff, a significant sewage overflow was likely avoided due to the use of the recently completed S.A.M. Wet Weather Flow Storage Facility (Walker Tank).

11. Report on other seminars, conferences, or committee meetings

None to report.

INFORMATION CALENDAR

12. General Manager's Report

Nothing further to report.

13. Administrator's Reports: Administrative Activities for January/February 2003

In addition to the report provided in the agenda packet, District Administrator Gina Holmes reported that waste cans will be placed and garbage pick-up service will start next week on Surfer's Beach.

14. Engineer's Report

A report was provided in the agenda packet for this item. Directors Stein and Woren questioned some of the hours charged on the engineering invoice and asked the General Manager to further review it.

15. Attorney's Report:

General Counsel Jonathan Wittwer announced that a decision had been made by the California Supreme Court in the case of Gardner v. County of Sonoma, which was strongly supportive of the authority of local government to plan adequately for the future, including planning for infrastructure such as sanitary sewers. The District had authorized Counsel to participate in this case as *amicus curiae*.

FUTURE AGENDA ITEMS

ADJOURN

At 11:36 p.m., President Katke adjourned the meeting.

SUBMITTED BY:

APPROVED BY:

Chuck Duffy, General Manager

Fran Pollard, Board Secretary

Date Approved: April 17, 2003